

A Resolution approving the issuance of not to exceed \$20,000,000 of County of Franklin, Ohio Adjustable Rate Demand Health Care Facilities Bonds, Series 2012 (Traditions Health Care Obligated Group) and approving the execution and delivery of all related documents. (Commissioners)

WHEREAS, the County of Franklin, Ohio (the "County") acting by and through the County Hospital Commission of Franklin County (the "Commission" and, together with the County, the "Issuer") has heretofore issued, sold and delivered the \$1,325,000 County of Franklin, Ohio Adjustable Rate Demand Health Care Facilities Revenue Bonds, Series 2002 (Heritage Day Health Centers Project) dated February 12, 2002, with \$880,000 in principal amount currently outstanding, and the \$2,500,000 County of Franklin, Ohio Adjustable Rate Demand Health Care Facilities Bonds, Series 2007 (Heritage Day Health Centers Project) dated March 15, 2007, with \$2,290,000 in aggregate principal amount currently outstanding (the "Prior Franklin County Bonds"), previously issued to finance and refinance the costs of Hospital Facilities comprising a portion of the Leased Premises (as defined in the Heritage Centers Lease);

WHEREAS, Traditions at Chillicothe ("Traditions Chillicothe"), Traditions at Mill Run ("Traditions Mill Run"), Traditions at Stygler Road ("Traditions Stygler Road"), Traditions at Xenia, d/b/a Legacy Village ("Traditions Xenia"), Portage Trail Care Center, Inc., d/b/a Traditions at Bath Road ("Traditions Bath Road"), Waverly Care Center, Inc., d/b/a Traditions at Bristol Village ("Traditions Bristol Village"), and Heritage Day Health Centers ("Heritage Centers"), each an Ohio nonprofit corporation (collectively, the "Obligated Group"), have requested that the Issuer issue revenue bonds pursuant to the laws of the State of Ohio, including without limitation Section 339.15 and Chapter 140 of the Ohio Revised Code (collectively, the "Act") for the purpose of providing funds, which together with other funds of the Obligated Group, sufficient to finance and refinance the costs of acquiring, constructing, improving and equipping Hospital Facilities, consisting of the Series 2012 Project and the Existing Facilities, each as more specifically described in the Traditions Chillicothe Lease, the Traditions Mill Run Lease, the Traditions

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Xenia Lease, the Traditions Bath Road Lease, and the Heritage Centers Lease, respectively, including currently refunding and defeasing the outstanding principal amount of the Prior Franklin County Bonds, and to pay certain expenses incurred in connection with the issuance of such revenue bonds;

WHEREAS, the Issuer and each of Traditions Chillicothe, Traditions Mill Run, and Traditions Bath Road have previously entered into will enter into a Base Lease dated March 1, 2005, and each of Traditions Xenia and Heritage Centers will enter into a Base Lease dated March 1, 2012 (each of such Base Leases are collectively referred to herein as the "Base Leases") and each of Traditions Chillicothe, Traditions Mill Run, and Traditions Bath Road will enter into an Amended and Restated Lease Agreement dated March 1, 2012, and each of Traditions Xenia and Heritage Centers will enter into a Lease Agreement dated March 1, 2012 (the "Traditions Chillicothe Lease", the "Traditions Mill Run Lease", the "Traditions Bath Road Lease", the "Traditions Xenia Lease" and the "Heritage Centers Lease", collectively, the "Leases") providing for the lease of the Leased Premises to the Issuer pursuant to the Base Leases and the lease of the Leased Premises from the Issuer to each respective member of the Obligated Group as described in each of the Leases;

WHEREAS, it is expected that a portion of the proceeds of the Series 2012 Bonds will be made available to Traditions Chillicothe to finance and refinance the acquisition, construction, installation, and equipping of Hospital Facilities, including the relocation of 30 licensed long-term care beds to Traditions Chillicothe, the addition of an adult day center, and improvements to office and therapy spaces (the "Chillicothe Project"). The Chillicothe Project is located at 141 University Drive and 142 University Drive (collectively, the "University Drive Project"), and at 807 Western Avenue (the "Western Avenue Project" and,

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together with the University Drive Project, the "Chillicothe Project"), all in the City of Chillicothe, Ross County, Ohio. The University Drive Project is owned and operated by Traditions Chillicothe, and the Western Avenue Project is owned by Traditions Chillicothe and operated by Heritage Centers pursuant to a lease agreement;

WHEREAS, it is expected that a portion of the proceeds of the Series 2012 Bonds will be made available to Traditions Mill Run to finance and refinance the acquisition, construction, installation, and equipping of Hospital Facilities, including the renovation of the existing facility by expanding the kitchen and dining area, the addition of 8 assisted living units, and the renovation of interior public spaces (the "Mill Run Project"). The Mill Run Project is located at 3550 Fishinger Road, in the City of Columbus, Franklin County, Ohio. The Mill Run Project is owned and operated by Traditions Mill Run;

WHEREAS, it is expected that a portion of the proceeds of the Series 2012 Bonds will be made available to Traditions Xenia to finance and refinance the acquisition, construction, installation, and equipping of Hospital Facilities, consisting of independent and assisted living facilities and a 15-bed skilled nursing wing (the "Xenia Project"). The Xenia Project is located in the City of Xenia, Greene County, Ohio. The Xenia Project is owned and operated by Traditions Xenia;

WHEREAS, it is expected that a portion of the proceeds of the Series 2012 Bonds will be made available to Traditions Bath Road to finance and refinance the acquisition, construction, installation, and equipping of Hospital Facilities, including the relocation of 22 licensed long-term care beds from an unrelated facility to Traditions Bath Road (the "Bath Road Project"). The Bath Road Project is located at 300 East Bath Road, in the City of

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Cuyahoga Falls, Summit County, Ohio. The Bath Road Project is owned and operated by Traditions Bath Road;

WHEREAS, it is expected that a portion of the Series 2012 Bonds will be made available to Heritage Centers to: (i) currently refund and defease the outstanding Prior Franklin County Bonds, a portion of the proceeds of which were used to finance and refinance the acquisition, construction and equipping of certain Hospital Facilities, including adult day care and related healthcare facilities (the "Prior Heritage Centers Project"), and (ii) acquire, construct, equip and install additional Hospital Facilities (the "2012 Heritage Centers Project" and, together with the Prior Heritage Centers Project, the "Heritage Centers Project"). The Heritage Centers Project is located at 3341 E. Livingston Avenue, 1185 E. Broad Street, and 1700 E. Dublin-Granville Road, all in the City of Columbus, Franklin County, Ohio. The Heritage Project is owned and operated by Heritage Centers;

WHEREAS, on March 28, 2012, the Commission duly adopted a resolution (the "Bond Resolution") authorizing the issuance and sale by the County of its Adjustable Rate Demand Hospital Facilities Revenue Bonds, Series 2012 (the "Bonds") in an aggregate principal amount of not to exceed \$20,000,000, under a Trust Indenture (the "Original Indenture"), dated as of June 1, 2005, as supplemented by a First Supplemental Trust Indenture (the "First Supplemental Bond Indenture" and, together with the Original Indenture, the "Indenture"), between the County and the U.S. Bank National Association, as trustee (the "Trustee"), for the purpose of providing funds, together with other available funds, (i) to finance and refinance the costs of acquiring, constructing and equipping Hospital Facilities, including currently refunding and defeasance of the outstanding principal amount of the Prior Franklin County Bonds, and (ii) to pay financing costs pertaining thereto, including certain costs of issuance of the Series 2012

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Bonds; all in accordance with the provisions of each of the Leases, between the County and each member of the Obligated Group, respectively;

WHEREAS, Section 140.03, Ohio Revised Code, provides a procedure by which the County of Green, Ohio ("Greene County") and the Issuer, may enter into an agreement pursuant to which (i) the Issuer may enter into the Indenture on behalf of Green County, and (ii) the Issuer may enter into lease agreements whereby the Issuer will lease and sublease Hospital Facilities located within Greene County, Ohio to and from Traditions Xenia; and the Issuer and Greene County plan to enter into the Public Hospital Agencies Agreement (the "Greene County Hospital Agencies Agreement") for such purposes and in connection therewith;

WHEREAS, pursuant to Section 140.03, Ohio Revised Code, the Issuer and the County of Ross, Ohio ("Ross County") previously entered into a Public Hospital Agencies Agreement dated as of June 1, 2005 (the "Ross County Hospital Agencies Agreement") pursuant to which (i) the Issuer may enter into the Indenture on behalf of Ross County, and (ii) the Issuer may enter into lease agreements whereby the Issuer will lease and sublease Hospital Facilities located within Ross County, Ohio to and from Traditions Chillicothe, and the Issuer wishes to ratify and affirm the Ross County Hospital Agencies Agreement;

WHEREAS, pursuant to Section 140.03, Ohio Revised Code, the Issuer and the City of Cuyahoga Falls, Ohio ("Cuyahoga Falls") previously entered into a Public Hospital Agencies Agreement dated as of June 1, 2005 (the "Cuyahoga Falls Hospital Agencies Agreement") pursuant to which (i) the Issuer may enter into the Indenture on behalf of Cuyahoga Falls, and (ii) the Issuer may enter into lease agreements whereby the Issuer

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will lease and sublease Hospital Facilities located within Cuyahoga Falls, Summit County, Ohio to and from Traditions at Bath Road; and the Issuer wishes to ratify and affirm the Cuyahoga Falls Hospital Agencies Agreement; and

WHEREAS, to complete the authorization necessary under the Act, and to provide security for the Series 2012 Bonds, it is necessary that this Board of County Commissioners approve the actions of the Commission authorizing: (i) issuance of the Series 2012 Bonds; (ii) the execution and delivery of five separate Base Leases, between the Issuer and each member of the Obligated Group, respectively, pursuant to which the Issuer will acquire a leasehold interest in the Leased Premises; (iii) the execution and delivery of the Leases, pursuant to which the Issuer will sublease the Leased Premises to the respective members of the Obligated Group; (iv) the execution and delivery of the Indenture between the Issuer and the Trustee; (v) the execution and delivery of the Greene County Hospital Agencies Agreement between the Issuer and Greene County, and (vi) related documents to each of the foregoing.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF FRANKLIN, OHIO, THAT:

Section 1. This Board of County Commissioners hereby finds and determines as follows:

(A) The acquisition of a leasehold interest in the Leased Premises pursuant to the Base Leases, the subleasing of the Leased Premises to the members of the Obligated Group pursuant to the Leases, and the issuance of the Bonds pursuant to the Indenture will better provide for the health, safety and welfare of the residents of this County and the State by enhancing the availability, efficiency and economy of the operation of health care

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facilities and the services rendered thereby, and will provide health care services to the residents of the County and the State available for the service of the general public without discrimination by reason of race, creed, color or national origin and at the lowest practicable costs;

(B) The Leased Premises constitute "hospital facilities" as defined in the Act, and the members of the Obligated Group are each a "nonprofit hospital agency" as defined in the Act, no part of the net earnings of which inures or may lawfully inure to the benefit of any private stockholder or individual, and which has authority to own and operate "hospital facilities" as defined in the Act, to be operated pursuant to the Leases as health care facilities open to the public, without regard to race, creed, color or national origin.

Section 2. This Board of County Commissioners hereby consents to, authorizes and approves the issuance of the Bonds with terms set forth in the Bond Resolution, execution and delivery of the Base Leases, the Leases, the Indenture, the Greene County Hospital Agencies Agreement, and documents and matters relating to each of the foregoing (collectively, the "County Documents") substantially in the form now on file with the Clerk of this Board of County Commissioners and hereby ratifies and affirms the Ross County Hospital Agencies Agreement and the Cuyahoga Falls Hospital Agencies Agreement.

Section 3. The President of this Board of County Commissioners, or in her absence any other member of this Board of County Commissioners, the Clerk of this Board of County Commissioners and the County Auditor, or in his absence, the Deputy County Auditor, are each authorized to execute and deliver, on behalf of the County, such certificates, documents and instruments in connection with the transactions authorized in this

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resolution and the Bond Legislation as are approved by the County Prosecuting Attorney, and to do all such things required by the County or them pursuant to the County Documents..

Section 4. This Board, as the "applicable elected representative" of the County for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended, hereby approves the issuance of the Bonds in the maximum aggregate principal amount of \$20,000,000, on behalf of the members of the Obligated Group for the purposes set forth in this resolution.

Section 5. This Board of County Commissioners hereby finds and determines that all formal actions of this Board concerning and relating to the adoption of this resolution were adopted in an open meeting of this Board, and that all deliberations of this Board and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements including Section 121.22, Ohio Revised Code.

Section 6. Each section of this resolution is hereby declared to be independent and the finding or holding of any section thereof to be invalid or void shall not be deemed or held to affect the validity of any other section.

Section 7. This resolution shall take effect and be in force immediately upon its adoption.

Prepared by: Price D. Finley, Esq.